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From:

Sent: Monday, March 01, 2010 10:28:48 AM

To:

Cc:

Subject: RE: General question regarding international student taxes

You're welcome. For the Making Work Pay Credit, you may also want to point the discussion of withholding on nonresident aliens on pages 17-18 of Publication 15. Also, Notice 2009-91 indicates that special withholding procedures are necessary for nonresident aliens to account for the Making Work Pay Credit, as well as the fact that NRAs don't get the standard deduction.

With regard to the FICA, issues with respect to NRA students can be very complex. For example, take a look at the information on page 50 of Publication 519. This discussion goes into detail and highlights the fact that students admitted to work under F, M, or J status only have permission to do certain types of work. If they are employed in some capacity which is not considered employment to carry out the purpose for which the student is admitted to the US, then the FICA exemption at 3121(b)(18) would NOT apply. Moreover, NRA students with M visas are required to submit special US Citizenship and Immigration Services forms in order to accept certain types of employment. Uncertainty over whether students are authorized under their visas to perform certain types of employment may be another reason why employers are simply choosing to withhold and pay FICA. Also, refund claims for FICA need to be carefully documented with copies of visas and work authorizations attached. If a claim is not properly documented, it may be delayed.